

POSITION MANAGEMENT AND CLASSIFICATION  
IN CIA

I. Purpose

The purpose of this paper is to present, for DDCI consideration, certain recommendations relating to the Office of Personnel's efforts to administer the Agency's position management and classification program in light of recent events in the Federal personnel program.

II. Background

The Office of Personnel's efforts to implement the Factor Evaluation System of Position Classification and to develop an action plan for meeting the recent OMB Grade De-escalation Targets have highlighted a number of major weaknesses in the Agency's position management and classification policies, regulations and procedures which require clarification and decision by top Agency management before future meaningful progress can be made. The areas of primary concern are those of position classification authority, position classification standards development, and position management responsibilities. Concerns for the Agency's position management and classification program are not new and have been expressed on a number of occasions in studies conducted by PMCD, by the Inspector General's staff, and by Mr. [REDACTED] at the request of the DDA.

III. MAJOR PROBLEMS AND RECOMMENDATIONS

A. Classification Authority - Probably the most outstanding weakness in the Agency position classification program is the absence of clear procedures to resolve and implement disputed position

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classification actions promptly and fairly. The Inspector General, in its March 1976 survey report on the functions of the Office of Personnel, made the following observation concerning classification activities: ". . .Undesired recommendations are frequently negotiated away or ignored. No effective system of enforcement or appeal has been formalized to deal with outstanding differences. . ."

The absence of clear guidelines in this area is reflected in the fact that the Office of Personnel's Position Management and Compensation Division generally exercises position classification authority only to the extent that component managers are willing to concur in the proposed classification action. Unilateral action is rarely taken by PMCD. As a result, component heads can delay an undesired classification action indefinitely by withholding their concurrence. Unfortunately, such delays involve actions which should be taken promptly for reasons of equity, economy and efficiency. The integrity and effectiveness of the program, therefore, require policies and procedures whereby all classification decisions are resolved and implemented. The system must permit resolutions without undue delays between the issuance of classification findings and their ultimate implementation. Implicit in the resolution process is the need to provide ample opportunities for components and PMCD to air their differences and defend their positions. To be effective, these procedures must have the force of regulation and the clear endorsement of top management.

Recommendation: It is recommended that Agency regulations contain a clear delegation of authority from the DCI to the Director of

Personnel to classify positions through GS-15. The Director of Personnel, in turn, will re-delegate his authority to the Chief, PMCD for all classification and position management actions agreed to by component heads. Within 30 days after classification findings are issued by PMCD, the component head will be given an opportunity to meet with the Director of Personnel and PMCD representatives to appeal any disputed classification decisions. Following this meeting, or in the event that the component head does not choose to meet, the Director of Personnel will make his decisions and promptly implement the classification actions. If, after the classification actions are implemented, the component head (or an employee) wishes to further appeal, such appeals may be made through the Director of Personnel to the DDCI who will render a final decision.

An alternate procedure would be that the Director of Personnel redelegate full classification authority through GS-15 to the Chief, PMCD (classification allocating authority is usually delegated to the classification element in most other government agencies) who, after exploring every avenue of ~~reconciliation~~ <sup>reconciliation</sup> with the component on disputed classifications, would notify components of his decisions and implement without further to do. Appeals would then be directed first to the Director of Personnel and, if not resolved, ultimately to the DDCI as described earlier. This latter approach has the advantage of divorcing the D/Pers from the initial classification decisions and thereby establishing him as a more logical appeals point. This alternate procedure should also tend to eliminate many of the routine disagreements since component heads would be less inclined to contest such cases on a

B. Classification Standards Development - It has long been recognized by PMCD and more recently identified by the IG that the absence of Agency approved classification standards is a major hindrance to the Agency's classification program. To correct these deficiencies, the Director of Personnel, on 20 July 1976, announced that the Agency would initiate a standards development program using the factor evaluation approach. This program will combine the use of CSC-developed position standards, modified where necessary, and the internal development of standards for Agency occupations, such as for operations, reports and certain intelligence officers, which have aspects of their work basically unique to the Agency.

PMCD has now received and performed initial testing on a number of CSC/FES standards and has begun development of several internal Agency standards. Preliminary results show that CSC/FES standards are basically compatible with Agency clerical occupations and can be applied without significant change. CSC/FES standards for professional occupations in some instances also appear to be directly applicable. The initial reviews also indicate that there are serious overgradings in Agency clerical occupations when CSC/FES standards are applied directly. For example, in the GS-305 Mail and File series (Information Control and Records), the Agency has non-supervisory positions allocated between GS-04 and GS-10 while the CSC standard indicates that non-supervisory positions in this series will generally be restricted to GS-06 and below. Experience with professional occupations indicates that overgrading exists to a lesser extent than in the clerical occupations.

The findings of overgrading in the clerical occupations were essentially confirmed in PMCD's study of Agency average grades by occupations in response to OMB Bulletin No. 77-11. Seven of the ten occupational series presented to OMB for average grade reduction were clerical. Little justification could be found for the high degree of difference between the average grade of Agency positions in these target occupations and the average grade of these same occupations government-wide. Nevertheless, prior to implementing the CSC/FES standards, a determination must be made whether to directly apply the standards (which will result in considerable downgradings of positions) or to make some adjustments in the standards to compensate for currently inflated grade structures, a process that would be extremely complex and would result in additional inequities. Herein lies the problem. The first course of action is essential if we are to comply with grade de-escalation targets committee to OMB. The second course of action cannot be justified in technical position classification terms and, if adopted, would preclude any prospect of addressing the de-escalation Targets in any fair and equitable way.

Recommendation: It is recommended that the following policies and procedures apply in the development, review and approval of classification standards for mandatory application within the Agency and be so reflected in Agency regulations: (a) that position classification standards received from the Civil Service Commission be reviewed by PMCD in conjunction with cognizant component managers and/or subject specialists. Based on the results of such reviews, PMCD will determine whether adjustments are appropriate and revise the standards accordingly; (b) that completed or revised standards, whether received from the CSC

or developed internally within CIA, be reviewed and approved by the Director of Personnel, on behalf of the DDCI, for internal Agency application; and

(c) that the approved position classification standards have the status and force of Agency regulations for classifying Agency positions.

C. Position Management - Briefly stated, the objective of position management is the arrangement of work, in terms of organization structure and human resources, which will strike a balance between economy and effectiveness. Although position management is the responsibility of line managers, advice and assistance is generally provided by staff specialists such as position management officers. During the past several years, the need for effective position management has been the subject of numerous Presidential, Civil Service and OMB directives. President Ford in his memorandum to department and agency heads in May 1976 stated that reviews by CSC, GAO, and OMB "indicate that classification and position management systems are not functioning as effectively as they should. . .also indications in several agencies of excessive organizational fragmentation, duplication of work and superfluous layers of supervision." The OMB directive mandating the grade de-escalation study also cited various position management considerations as practical means for de-escalating, controlling and maintaining average grades. Position management techniques, then, can be major tools in complying with the grade de-escalation targets and in implementing an effective standards program. The Offi

of Personnel believes that position management is deserving of greater attention in the Agency and that managers and supervisors should be made aware through regulations, notices, and internal management training, of their responsibilities in this area and the benefits to be derived therefrom. PMCD has a unique access to position management information through its position management and classification survey process and provides position management guidance in its survey reports. Although this guidance is often misunderstood by managers and perceived as direct interference in their <sup>prerogatives</sup> ~~perrogatives~~, PMCD's role in position management has been, and continues to be, an advisory one.

Recommendation: It is recommended that Agency regulations:

- (a) define position management and cite its importance to the efficiency, effectiveness and economy of Agency operations;
- (b) charge managers with the responsibility for applying sound position practices; and
- (c) define the Office of Personnel's role as a staff advisor on position management matters.

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## Remarks:

1. Frank: Attached is the re-draft of our Policy Paper as requested by Ben. As you recall, this was to be the subject of further discussions.

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